GOVERNMENT OF INDIA
FOOD PROCESSING INDUSTRIES
LOK SABHA

UNSTARRED QUESTION NO:1599
ANSWERED ON:19.07.2004
INCENTIVES TO PRIVATE ENTERPRISES
Chaliha Shri Kirip

Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state:

(a) whether the Government propose to attract private entrepreneurs to make food processing industry commercially and economically viable by processing and canning the fruits for domestic as well as international markets; and

(b) if so, the details of incentives proposed to the private enterprises in this regard?

Answer

THE MINISTER OF STATE OF THE MINISTRY OF FOOD PROCESSING INDUSTRIES (SHRI SUBODH KANT SAHAI)

(a) & (b): Financial assistance is provided for establishment, modernization and expansion of food processing units @ 25% and 33.33% of costs of plant and machinery and technical civil works subject to a maximum of Rs. 50 lakhs and Rs. 75 lakhs in general and difficult areas respectively. In order to give boost to growth of food processing industries, the Government has announced on 8th July, 2004 in Parliament to allow under Income Tax Act, a deduction of 100% of profit for five years and 25% of profits for the next five years in case of new agro processing industries set up to process, preserve and package fruits and vegetables.